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15 November 1949

MEMORANDUM

TO : Assistant Director, Special Operations ✓
Assistant Director, Policy Coordination
Assistant Director, Office of Operations

FROM : Finance Division

SUBJECT: Entertainment

1. This Agency has never had a firm policy on the question of whether or not an individual participating in official entertainment in the form of meals should be required to pay a reasonable fee for the personal benefit derived therefrom. In the case of a few individuals and/or functional groups with whom entertainment is a consistently recurring item, specific policies have been adopted of making an appropriate charge against the individual.

2. Most official entertainment has occurred while individuals are in travel status. Although the Standardized Government Travel Regulations make provision for a deduction of 1/5 of the per diem for each meal or night lodging furnished by the Government, such deductions have not normally been made where the meal was furnished in conjunction with official entertainment. This policy was deemed warranted in view of the difficulty of administering a "deduction" policy and because per diems were formerly deemed generally inadequate.

3. In view of materially increased entertainment activities in the US and the recent increase in the per diem rate in the US, it is deemed advisable to establish a consistent policy in this respect for the Agency. A proposed policy is as follows:

(a) Staff employees participating in official entertainment in the US in the form of meals shall be required to pay a reasonable fee for the personal benefit derived therefrom when the following conditions prevail:

1. If in travel status a deduction of 1/5 of the per diem shall be made for each such meal in which the employee participates.

2. If not in travel status, a charge of \$1.00 shall be made for each meal or the cost of the employee's meal, if a lesser amount.

3. Vouchers involving official entertainment must identify each staff employee participating therein.

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4. If more than one staff employee is present, the officer submitting the voucher shall make the collection from the other participating employees.

4. The proposed policy is limited to the US, because the amount and extent of personal benefit in terms of dollars and cents is less conclusive and less ascertainable in foreign countries. In addition, the administrative difficulty in enforcing a deduction policy on a worldwide basis at this time is deemed prohibitive.

5. The preceeding draft policy is submitted for your approval, criticism or comments. In the event general concurrence is achieved with this or a revised policy, OSO, OPC and OO will each be requested to issue an appropriate internal policy memorandum to inform their employees thereof.



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Acting Chief, Finance Division

cc: ADPC
OO
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